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FISCAL IMPACT STATEMENT

LS 7507

BILL NUMBER: SB 1

NOTE PREPARED: Jan 11, 2011

BILL AMENDED:

SUBJECT: Teacher evaluations and licensing.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Advisory Board:* This bill eliminates the advisory board of the Division of Professional Standards of the Department of Education. It repeals references to the advisory board and the existing staff performance evaluation provisions, and makes corresponding changes to related sections.

Charter School: The bill provides that not more than 50% of the teachers in a charter school are not required to be licensed as teachers, or be in the process of obtaining a license (unless the State Board of Education waives the limitation).

License Revocation: The bill requires the Department of Education to revoke the license of a licensed school employee if the employee is convicted in another state or under federal statutes of an offense that is comparable to the felonies for which the employee's license would be revoked if committed in Indiana.

Performance Evaluation: The bill establishes an annual staff performance evaluation that categorizes teachers as highly effective, effective, improvement necessary, or ineffective. It specifies that a teacher rated ineffective or improvement necessary may not receive a raise or increment for the following year.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Summary: Performance Evaluation, Salary Schedule:* This requirement could represent an additional workload [and/or expenditure] on the Department of Education (DOE) and the State Board of Education outside of their routine administrative functions. This bill does not appropriate any additional resources to accomplish this task. If in-house expertise is not available to develop an evaluation plan, outside consultants may have to be employed. Ultimately, the source of funds and resources required to satisfy the requirements of this bill would depend on legislative and administrative actions.

Advisory Board: Under current law, the Advisory Board of the Division of Professional Standards advises the Superintendent of Public Education, the State Board of Education, DOE, and the Division of Professional Standards on matters concerning teacher education, licensing, and professional development. This bill would eliminate the Advisory Board and transfer its mandate to the State Board of Education.

License Revocation: Current law requires that the DOE, after due deliberation, permanently revoke the license of an employee who has been convicted of a felony as outlined in the law (e.g. kidnapping of minors, sexual misconduct, dealing in drugs). This bill extends the mandate to revoke an employee's license to include conviction of a federal offense, or an offense in another state that is comparable to a felony in Indiana that would result in license revocation. The bill also adds homicide to the list of offenses for which an employee's license would be revoked. The DOE should be able to implement this provision within existing resources.

Performance Evaluation: Before January 31, 2012, the State Board of Education has to adopt rules that establish the criteria that define each performance category, the measures that define student performance, the standards that define what actions constitute a negative impact on student performance, and an acceptable set of standards for training evaluators.

The bill directs the Board to collaborate with the DOE to develop a model plan and release it to school corporations. Additionally, the bill directs the Board and the Department to ensure the availability of on-going training for evaluators on how to properly conduct an evaluation.

Salary Schedule: Not later than June 30, 2012, the bill requires that the DOE develop and publish a salary schedule that a school corporation may adopt. The State Board of Accounts is authorized to review the salary schedule of a school corporation and report the results to the State Board.

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary:*

(1) *Charter School:* This would probably increase the number of applicants available to teach in charter schools.

(2) *Performance Evaluation:* If the corporation decides not to use the plan developed by the DOE, the cost of designing its own plan could be substantial. Corporations would also incur the cost of training evaluators. If the corporation decides to employ private evaluators, this would add to the costs.

(3) *Hiring Staff:* The fiscal impact would depend on local action.

(4) *Salary Schedule:* The fiscal impact would be negligible. However, individual teachers may be adversely or positively impacted by this provision.

Charter School: Under current law, an individual who teaches in a charter school must either be a licensed teacher or be enrolled in a transition to teaching program. This provision would permit an individual to teach in a charter school if the individual has at least a bachelor's degree with a grade point average of at least 3.0 on a 4.0 point scale in the content area in which the individual would be teaching.

Up to 50 percent of teachers in charter schools may be employed under this provision and a school can

request a waiver from the state board to increase that number.

Hiring Staff: Under current law, the governing body makes the hiring decisions for the school corporation. Under this bill, the governing body's mandate has been curtailed. Some hiring decisions have been delegated to superintendents, some to school principals. For example, the governing body under current law is permitted to hire teachers; under this bill, this would be the responsibility of the school principal. The governing body would still be responsible for hiring the school superintendent.

Performance Evaluation: This bill repeals the current performance evaluation statutes. Under the bill, each school corporation, charter school including virtual charter school, school created by an inter-local agreement, special education cooperative, and joint career and technical education program has to develop a plan for annual performance evaluation for each certified employee. The plan is to be implemented beginning with the 2012-2013 school year.

This bill stipulates that the plan include an objective measure of student achievement and growth using statewide assessment results whenever possible, and specifies that an employee who received an unfavorable rating is entitled to develop a remediation plan. The school corporation may develop its own plan or use the plan developed by the DOE. The school has to provide the results of the evaluation to the Department to be published.

Salary Schedule: Under current law, a teacher's minimum salary must be computed based on the teacher's education, experience, and degree completed. Under this bill, a teacher's salary would be computed based on experience, performance evaluation ratings, and assignments to instructor leadership positions such as an appointment as a performance evaluator.

The bill also specifies that a teacher who was given an unfavorable performance rating may be denied a raise or increment for the following year. The compensation that would have been allocated to teachers for attaining additional degrees or graduate credit hours, or awarded to those with an unfavorable rating would be allocated to those teachers with favorable performance ratings under this bill.

Explanation of Local Revenues:

State Agencies Affected: Department of Education; State Board of Education; Division of Professional Standards; State Board of Accounts; Teacher Preparation Programs.

Local Agencies Affected: School Corporations, Governing Boards of School Corporations; Charter Schools

Information Sources:

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